

Open Letter to Torrance City Council

From

Torrance Water, Light & Power Co.

Council of the City of Torrance,
Torrance, California.

Columbus, Oh
July 30, 1930

Gentlemen:

I wish to clarify the position of the water company in applying to the city for a franchise.

We have under option in Torrance, property on which we propose to drill wells and erect an elevated storage tank, aeration and settling basins and other appurtenances necessary for the operation of a complete new production system for a supply of water of good quality to the city. In order to put our relations with the City on a business basis we have made application for this franchise before starting the necessary work, which involves an expenditure of from ninety to one hundred thousand dollars. It is not necessary for us to have or to apply for this franchise and we are doing so simply to show our desire to operate in your city in the usual manner of utilities in any city, regardless of the fact that such a franchise is not necessary in Torrance. The franchise is not exclusive. At any time, the City Council can grant a franchise to any other parties or can condemn our plant for operation by the city or can construct a new plant, regardless of whether this franchise is granted or not, and regardless of the term of the franchise. After the first five years of operation under this franchise two per cent of the gross revenues of the Torrance plant are paid to the city annually.

The estimates made by the engineering firm employed to make the initial survey of the project for a new water supply for Torrance indicate that not only will we be able to supply a good grade of water when this plant is completed but that we may reduce our cost of operation somewhat. Should these estimates be borne out upon completion of the plant, it is our intention to reduce the present rates for water. Certain agitators do not desire to have these true facts presented to you or to the citizens of Torrance, and are attempting to distort the facts in such a manner that your body takes an antagonistic attitude toward the purely friendly gesture of the company in applying for this franchise. Should your Honorable Body be misled by these self-styled "public-spirited" individuals whose real motives it is not my purpose to question, the result will be further delay in the accomplishment of a vast improvement to your city's water supply and the consequent improvement to the City of Torrance itself. The opponents of every progressive step proposed to be taken by the water company make a great hue and cry about rates for service. In furnishing comparisons of rates they are careful to choose only cities where the rates are decidedly lower than those at Torrance. In these particular cases they neglect to say that in most instances the taxes paid are much higher, due to the fact that part of the expenses of carrying the water systems are borne directly by the property owners in increased taxes, resulting in lower charges for water service.

I wish to impress upon you that the passing of this resolution can in no way affect the power of the city to purchase the present plant or to grant a franchise to a competing company at any time to serve the same territory covered by the proposed franchise, and a vote against this resolution is merely a vote against progress and improvement of Torrance itself.

Should this resolution be passed, work will be immediately started and the new plant should be in operation about the first of the year. If at any time the city should decide to purchase this plant it will then be purchasing a complete, modern, efficient water system supplying a high grade of water. The preliminary engineering survey has been made by a nationally recognized firm of water works engineers, which firm does a great deal of work for municipal water works systems as well as privately-owned systems and this same firm will engineer and supervise the construction of the contemplated improvements to the Torrance supply.

In view of these facts we request your earnest consideration of the proposed franchise resolution. We would like to point out that the form submitted was merely tentative in order to present to your body a form for discussion. There are no provisions in this franchise which cannot be changed or amended and still be acceptable to the water company.

Respectfully yours,

Torrance Water, Light and Power Co.

J. E. Albert,

President.